



Managing Energy Related Traffic

December 2, 2014

Legislative Study Requirement

SL 2014-4, Section 23(a)

- Additional Statutory Authority to protect infrastructure
- Recommendation on Coordinated Permit with DENR
- Performance Bonding and Road Use Agreement

NCDOT Goals

- Maintain Safe Transportation Network
- Protect Infrastructure
- Recover Costs
- Consistent Administration of Program
- Work in concert with other state agencies

NCDOT Preparations

- Subcommittee established May 2012
- Engaged in Peer Exchange with PennDOT
- Participated in Mining and Energy Commission Study Groups
- Evaluated Options for Managing Energy Related Traffic

Standard Truck Volumes

- Pad Development (4-6 weeks)
Involves 3-5 acres, 6-8 wells per pad
300-400 truckloads
- Drilling Operation (4-5 weeks)
150-200 truckloads
- **Hydraulic Fracturing (1-4 weeks)**
800-1,000 truckloads per well
4,800-10,000 truckloads per well site
- Reclaiming Site (4-6 weeks)

Options for Managing Energy Related Traffic

- Severance Tax
- Posting and Bonding
- Road Use and Maintenance Agreement

Road Use and Maintenance Agreement

- Defines Haul Routes
- Assigns Responsibility
- Provides Uniform Standards
- Avoids Posting
- Industry Managed

RUMA meets NCDOT Goals

Costs Associated with the RUMA

- Anticipated Permitting Costs:

\$6,103 per agreement, based on 40 agreements per year

- Anticipated Compliance Costs:

\$16,855 per agreement, based on 40 agreements per year

Bonding of the RUMA

Proposed Bond Calculation averages Risk across the haul routes:

Total length of responsible haul routes X \$100,000 per mile
+ Total area of bridge deck along responsible haul routes X
\$360 per sq. ft. of bridges**

**only for NC Routes and Secondary Roads*

Statutory Authority

Existing

- 20-118 (b)(4)– allows posting of “light-traffic roads”
- 136-18 (5) – gives NCDOT authority to protect infrastructure

“To make rules, regulations and ordinances for the use of, and to police traffic on, the State highways, and to prevent their abuse by individuals, corporations and public corporations, by trucks, tractors, trailers or other heavy or destructive vehicles or machinery, or by any other means whatsoever, and to provide ample means for the enforcement of same...”

Proposed Authority for RUMA

- New G.S. 136-_____
 - clearly states ability of NCDOT to issue a RUMA
 - gives NCDOT ability to set fees for RUMA
- New subsections to G.S. 113-395 (a)(1) and (a)(2)
 - requires permit to drill applicant to have also applied for a RUMA
 - requires approval of a RUMA prior to issuance of a permit to drill

Proposed Authority - Enforcement

- New G.S. 20-119
 - requires energy related traffic to have a copy of the RUMA
 - sets fine amounts for violations
- New G.S. 20-54
 - refusal of registration or title certificate for failing to pay penalties

Coordinated Permit

- Concurrent reviews of RUMA and DENR permit applications
- NCDOT issues RUMA
- NCDENR issues permit to drill

Questions?

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